Fire in ONGC's exploratory oil well at Kadi

864. SHRI RAM NARESH KUSHA WAHA:
SHRI SUSHILCHAND MOHUNTA: SHRI M. KADHARSHA:

Will the Minister of PETROLEUM - AND NATURAL GAS be pleased to state:

(a) whether it is a fact that fire occurred in the ONGC's exploratory oil well-53 at Kadi in Mehsana (Gujarat) in December, 1985;

(b) if so, what were the causes of the fire;

(c) what steps were taken to contain and extinguish the fire;

(d) what amount of damage was suffered as a result thereof;

(e) whether any inquiry as been conducted in this regard; if so, what are the results thereof;

(f) what action has been taken by Government in the matter so as to avoid such incidents in future; and

(g) whether the ONGC is equipped to put off such fire, if not what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI CHANDRA SHEKHAR SINGH): (a) Yes, Sir.

(b) An inquiry has been ordered by ONGC to establish the cause of fire.

(c) ONGC immediately mobilised their fire fighting teams and equipment; assistance of State Government; Government Corporations, Soviet experts and the army was obtained.

(d) According to a preliminary estimate the loss is estimated to be Rs. 1.8 erores

(e) Yes, Sfr. The results would be known when the enquiry is over.

(f) The steps taken by ONGC include providing more dependable equipment for safety and fire fighting; suitable training of ONGC personnel; observance of safety procedures as laid in the safety manuals.

(g) The ONGC is equipped to combat normal oil well fires. Sometimes help of other agencies has also to be taken.

Price rise of Coal

866. SHRIMATI RATAN KUMARI: Will the Minister of ENERGY be pleased to state:

(a) whether Government have recently raised the prices of coal, if so, what are the details thereof and the reasons therefor;

(b) whether it is a fact that the prices of coal have been raised due to the imposition of some conditions by the World Bank for giving assistance for certain new projects; if so, what are the reasons for accepting the conditions imposed by the World Bank; and

(c) what is the likely impact of the rise in the prices[1] of coal on the consumer as well as on the price index?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) The price of coal fixed w.e.f. 8.1.1984 after considering the recommendations of Bureau of Industrial Costs and Prices was due for revision w.e.f. 1-4-1985. Since then, there has been substantial increase in the cost of production due to various factors such as escalation in the cost of inputs like stores, j explosives, timber etc., increase in wages due to increase in the rate of Industrial D.A., raise in the limit of bonus]exgratia payment to the employees, increase in underground allowance etc., increase in price of petrol, oil and lubricant (POL), increase in the Railway freight(fare, higher incidence of depreciation and interest charges etc. On account of enhanced cost

of production, coal India Limited requested the Govt, for upward revision of coal prices. The same was considered and ihe prices of coal have been revised w.e.f. 9-1-1986. On account of this revision the average pit-head price of coal produced " by Coal India Limited has become Rs. 210.00 per tonne from Rs. 183.00 per tonnei and that of coal produced by Singareni Colleries Co. Ltd. has become Rs. 219.00 per tonne from that of Rs. 192.00 per tonne. The price of soft coke for romestic consumption has been kept at Rs. 175.00 per tonne which has been prevailing since 27-5-1982. The price of soft coke for industial purposes has however, been fixed at Rs. 300|- per tonne w.e.f. 9-1-1986.

(b) No, Sir.

(c) The impact of the revision of coal prices on three major consuming sectors namely Power, Steel and Railways has been estimated about 3 per cent, 2.83 per cent and 0.9 per cent respectively on their cost of production|operations in a full year and the impact on the economy as whole is estimated at about 0.6 per cent.

Setting up of thermal power units

866. SHRI PARVATHANENI UPENDRA: Will the Minister of ENERGY be pleased to state:

(a) whether Government propose to allow private sector to set up large sized thermal power units in the country; and

(b) if, how many such proposals are under consideration of Government?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) and (b) The policy with regard to the generation and distribution of electricity is regulated by the Industrial Policy Resolution, 1956. According to this Resolution, the generation and distribution of electricity falls under Schedule 'A' category of industries, the future development of which is the exclusive responsibility of the State. The Resolution does not preclude the possibility of the State securing the co-operation of private enterprise in the establishment of new units when the national interest so requires.

As per this policy, Government have allowed replacement/expansion of units in the existing privately-owned power utilities. Permission for captive power units is accorded where the power requirement is substantial and continuous and reliable supply is necessary. Presently, three private sector proposals are under consideration of which two are for installation of captive units.

Awarding: contract for HBJ pipeline

867. SHRI PARVATHANENI UPENDRA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have de cided to award the work of Hazira-Bijapur-Jagdishpur (HBJ) gas pipe line in Gujarat, and if so, what are the details thereof;

(b) what is the terms and conditions of the contract and what is the role of indigenous companies;

(c) what is the amount of contract, by which year it would be completed and to whom it has been awarded;

(d) if not, what are the reasons for the delay in taking a final decision; and

(e) by when final decision is likely to be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI CHANDRA SHEKHAR SINGH): (a) to (e) The recommendations of the Gas Authority of India Limited on the award of contract for the construction of the HBJ gas pipeline are being examined by Government, and a decision is expected to be taken shortly. The project is scheduled to be completed in